Introduced by Senator Dunn

February 22, 2005

An act to amend Sections 4062.1, 4600.2, and 4663 of add Section 5800.1 to the Labor Code, relating to workers' compensation.

LEGISLATIVE COUNSEL'S DIGEST

SB 1023, as amended, Dunn. Workers' compensation.

Existing workers' compensation law requires employers to secure the payment of workers' compensation, including medical treatment, for injuries incurred by their employees that arise out of, or in the course of, employment. Existing law contains provisions relating to formal medical evaluations, pharmacy contracts, and apportionment.

This bill would make technical, nonsubstantive changes to these provisions.

Existing law establishes a workers' compensation system to compensate an employee for injuries sustained in the course of employment. Under this system, the Workers' Compensation Appeals Board has jurisdiction to determine these claims.

If an employee is required to go to the appropriate court to enforce an award of a workers' compensation administrative law judge or the appeals board, this bill would require there to be an additional award of \$2,000 paid to the employee. If the employee is required to go to the appropriate court to enforce any prior order of that court in the same matter, the bill would require there to be an additional award of \$5,000 paid to the employee.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

SB 1023 -2-

1

2

3

4

5

6

8

10

11

12 13

14

15

16 17

18

19

20

21

22

23

24

25

26

27

28

29

30

31 32

33

34

35

36 37

38

The people of the State of California do enact as follows:

SECTION 1. Section 4062.1 of the Labor Code is amended to read:

SECTION 1. Section 5800.1 is added to the Labor Code, to read:

- 5800.1. (a) If an employee is required to go to the appropriate court to enforce an award of a workers' compensation administrative law judge or the appeals board, there shall be an additional award of two thousand dollars (\$2,000) paid to the employee.
- (b) If the employee is required to go to the appropriate court to enforce any prior order of that court in the same matter, there shall be an additional award of five thousand dollars (\$5,000) paid to the employee.
- (c) All additional awards under this section are cumulative, and apply in addition to all other penalties or interest payable under any other section of this code or other applicable codes.
- 4062.1. (a) If an employee is not represented by an attorney, the employer shall not seek agreement with the employee on an agreed medical evaluator, nor shall an agreed medical evaluator prepare the formal medical evaluation on any issues in dispute.
- (b) If either party requests a medical evaluation pursuant to Section 4060, 4061, or 4062, either party may submit the form prescribed by the administrative director requesting the medical director to request a panel of three qualified medical evaluators pursuant to Section 139.2. However, the employer may submit the form only if the employee fails to submit the form within 10 days after the employer has furnished the form and requested the employee to submit the form. The party submitting the request form shall designate the specialty of the physicians who will be assigned to the panel.
- (c) Within 10 days of the issuance of a panel of qualified medical evaluators, the employee shall select a physician from the panel to prepare a medical evaluation, the employee shall schedule the appointment, and the employee shall inform the employer of the selection and the appointment. If the employee does not inform the employer of the selection within 10 days of the assignment of a panel of qualified medical evaluators, then the employer may select the physician from the panel to prepare

-3- SB 1023

a medical evaluation. If the employee informs the employer of the selection within 10 days of the assignment of the panel but has not made the appointment, or if the employer selects the physician pursuant to this subdivision, then the employer shall arrange the appointment. Upon receipt of written notice of the appointment arrangements from the employee, or upon giving the employee notice of an appointment arranged by the employer, the employer shall furnish payment of estimated travel expense.

- (d) The evaluator shall give the employee, at the appointment, a brief opportunity to ask questions concerning the evaluation process and the evaluator's background. The unrepresented employee shall then participate in the evaluation as requested by the evaluator unless the employee has good cause to discontinue the evaluation. For purposes of this subdivision, "good cause" shall include evidence that the evaluator is biased against the employee because of his or her race, sex, national origin, religion, or sexual preference or evidence that the evaluator has requested the employee to submit to an unnecessary medical examination or procedure. If the unrepresented employee declines to proceed with the evaluation, he or she shall have the right to a new panel of three qualified medical evaluators from which to select one to prepare a comprehensive medical evaluation. If the appeals board subsequently determines that the employee did not have good cause to not proceed with the evaluation, the cost of the evaluation shall be deducted from any award the employee obtains.
- (e) If an employee has received a comprehensive medical-legal evaluation under this section, and he or she later becomes represented by an attorney, he or she shall not be entitled to an additional evaluation.
- SEC. 2. Section 4600.2 of the Labor Code is amended to read:

4600.2. (a) Notwithstanding Section 4600, when a self-insured employer, group of self-insured employers, insurer of an employer, or group of insurers contracts with a pharmacy, group of pharmacies, or pharmacy benefit network to provide medicines and medical supplies required by this article to injured employees, those injured employees that are subject to the contract shall be provided medicines and medical supplies as prescribed in the contract for as long as these items are

SB 1023 —4—

reasonably required to cure or relieve the injured employee from the effects of the injury.

- (b) Nothing in this section shall affect the ability of employee-selected physicians to continue to prescribe and have the employer provide medicines and medical supplies that the physicians deem reasonably required to cure or relieve the injured employee from the effects of the injury.
- (c) Each contract described in subdivision (a) shall comply with standards adopted by the administrative director. In adopting those standards, the administrative director shall seek to reduce pharmaceutical costs and may consult any relevant studies or practices in other states. The standards shall provide for access to a pharmacy within a reasonable geographic distance from an injured employee's residence.
- SEC. 3. Section 4663 of the Labor Code is amended to read: 4663. (a) Apportionment of permanent disability shall be based on causation.
- (b) Any physician who prepares a report addressing the issue of permanent disability due to industrial injury shall in that report address the issue of eausation.
- (c) To be considered complete on the issue of permanent disability a physician's report must include an apportionment determination by finding what approximate percentage of the permanent disability was caused by the direct result of injury arising out of and occurring in the course of employment and what approximate percentage was caused by other factors both before and subsequent to the industrial injury, including prior industrial injuries. A physician who is unable to include an apportionment determination in his or her report, shall state the specific reasons why the determination could not be made. The physician shall then consult with other physicians or refer the employee to another physician for treatment or evaluation pursuant to this division in order to make the final determination.
- (d) An employee who claims an industrial injury shall, upon request, disclose all previous permanent disabilities or physical impairments.